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**The situation in the Middle East**

**Consequences of the Iraqi occupation of and aggression against Kuwait**

**Sustainable development and international economic cooperation**

**Security Council**
**Fifty-sixth year**

## Letter dated 24 May 2001 from the Permanent Representative of Bahrain to the United Nations addressed to the Secretary-General

I have the pleasure of enclosing the joint communiqué of the eleventh session of the Ministerial Council of the Cooperation Council of the Gulf Arab States and the European Union, held in Manama, Bahrain, on 23 April 2001 (see annex).

I would appreciate it if the present letter and its annex were issued as an official document of the General Assembly, under agenda items 40, 56 and 94, and of the Security Council.

(*Signed*) Jassim M. **Buallay**
Ambassador
Permanent Representative

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**Annex to the letter dated 24 May 2001 from the Permanent Representative of Bahrain to the United Nations addressed to the Secretary-General**

الدورة الحادية عشرة للمجلس الوزاري المشترك
لمجلس التعاون لدول الخليج العربية والاتحاد الأوربي
المنامة - دولة البحرين ٢٣ أبريل ٢٠٠١ م

11TH GCC, EU JOINT MINISTERIAL COUNCIL
MANAMA - STATE OF BAHRAIN
23 RD APRIL 2001

## JOINT COMMUNIQUÉ

1. The eleventh session of the Joint Council established in accordance with the Cooperation Agreement between the countries parties to the Charter of the Cooperation Council for the Arab States of the Gulf (Bahrain, United Arab Emirates, Saudi Arabia, Oman, Qatar, and Kuwait) on the one hand, and the European Community on the other hand, was held in Manama, Bahrain, on 23 April 2001.

The GCC delegation was led by H.E. Shaikh Mohammad bin Mubarak Al Khalifa, Foreign Minister of Bahrain and President of the GCC Ministerial Council. The EU delegation was led by Ms. Lena Hjelm-Wallén, Deputy Prime Minister of Sweden and President of the Council of the European Union. The GCC Secretariat was represented by H.E. Mr. al-Hejailan, Secretary General. The European Commission was represented by Mr. Pascal Lamy, Commissioner for Trade.

2. The meeting took place in a cordial and friendly atmosphere. In preparation of this meeting, EU and GCC officials had met in Brussels in March in the Joint Cooperation Committee and for a Political Dialogue meeting.

The Joint Council noted with satisfaction the significant developments taking place in Bahrain under the leadership of H.H. the Amir Shaikh Hamad bin Essa Al Khalifa, and in particular the recent popular endorsement of the National Charter. The meeting welcomed these measures and reaffirmed its full support for these measures.

3. The Joint Council received a report from the Joint Cooperation Committee on the implementation of the Cooperation Agreement.

The Joint Council reaffirmed its view that Trade, Investment and Cooperation constituted the foundations on which to develop and improve EU-GCC economic relations.

4. **Trade:**

The Joint Council welcomed the increase in trade between the GCC countries and the European Union, which had taken place between 1999 and 2000. The total value of trade reached € 51,5 billion in 2000 compared to € 37 billion in 1999. The Joint Council noted that despite the increase in the value of trade and a decrease in the EU surplus, the trade balance remains substantially in favour of the EU.

The Joint Council reviewed progress in the EC-GCC free trade negotiations as reported by the Joint Cooperation Committee. It was noted that negotiations had been ongoing for over ten years without much progress. However, the Joint Council noted that in the last two years conditions for progress in negotiations were coming into place: the GCC had presented its negotiating directives and lists of sensitive products and important decisions had been taken to establish the GCC Customs Union that would enter into force not later than March 2005. The structure of the GCC Customs Union's external tariff had also been transmitted to the Commission.

Two negotiating sessions had taken place since the 10th Joint Council which had served inter alia to clarify positions on sensitive products and the scope of the GCC Customs Union. The Commission had presented proposals on readmission.

The Joint Council took note of the explanations from the EU side regarding the background, reasoning and outlines of the proposed new EC negotiating directives. The EU took note of the GCC request that its concern on main GCC exports to the EU would be duly reflected in the new EC negotiating directives. The Joint Council emphasised the importance of finalising the new EC negotiating directives as soon as possible and called upon negotiators to prepare for intensified negotiations with a view to concluding negotiations in the shortest possible time.

5. **Investment:**

The Joint Council recalled its decision in Luxembourg in April 1996 to study all relevant issues in a constructive effort to improve reciprocal investment conditions and further recalled the Study on Direct Investment in the GCC countries, presented to the Joint Cooperation Committee in 1998, which makes a number of recommendations to the EU and the GCC for improvements in investment conditions and policies.

The Joint Council underlined the importance of investments in strengthening economic relations between the parties. Ministers also took note of the report from the 12th Joint Cooperation Committee regarding the preparation of a GCC paper to reflect recent developments in investment conditions in the GCC and endorsed the Committee's decision that an Experts' Meeting should be arranged as soon as the paper has been presented in order to discuss possible steps to encourage reciprocal investments.

6. **Implementation of the Cooperation Agreement:**

The Joint Council took note of the report of the Joint Cooperation Committee on implementation of cooperation activities and welcomed the Committee's decision to hold discussions on ways and means to improve cooperation under the Cooperation Agreement. Regarding the individual areas of cooperation, the Joint Council took note of the report from the Joint Cooperation Committee and made the following statements.

*a) Standards Cooperation*

The Joint Council underlined the importance of cooperation in standards for strengthening industrial and commercial links between the two regions.

*b) Customs Cooperation*

The Joint Council endorsed the plans for the second programme of cooperation and called for enhanced cooperation in this field in the future.

*c) Energy Cooperation*

The Joint Council welcomed the proposals for intensified dialogue and cooperation agreed at the EC-GCC Energy Experts' Meeting and endorsed by the 12th Joint Cooperation Committee. The Joint Council welcomed the suggestion of H.R.H. the Crown Prince of the Kingdom of Saudi Arabia to establish a permanent secretariat for the energy forum in Riyadh to work towards promoting a continuous dialogue between producers and consumers. The EU side would examine the details of this proposal, including through further discussion with the Government of the Kingdom of Saudi Arabia.

*d) Environment Cooperation*

The Joint Council took note of reported activities, and endorsed the decision to organise a meeting of the Environment Working Group before the end of the year.

*e) EU-GCC Technology Information Centre*

The Joint Council welcomed the decision by the GCC to agree to the funding arrangements suggested by the European Commission and urged partners to proceed to an early implementation of this project.

7. **Decentralised Cooperation:**

The 6th Joint Council in Luxembourg 1996 agreed to add decentralised cooperation to official-level cooperation between the two regions. At subsequent meetings it has been agreed to establish decentralised cooperation in three areas:

*a) Business cooperation,*

*b) universities/higher education and*

*c) media cooperation.*

The Joint Council took note of the report of the Joint Cooperation Committee on the situation in the implementation of decentralised cooperation including the preparation of the 2nd EU-GCC Interprise Event to be held in Riyadh in October 2001 and the plans to launch the pilot phase programmes in university cooperation and in media cooperation.

8. The GCC and EU reviewed a series of international and regional political issues of mutual interest and had a full exchange of views on developments in the two regions. Regional security and stability remained a key shared foreign policy objective. The GCC reported on the setting up of a GCC joint defence agreement, decided by the GCC Supreme Council on 30-31 December 2000, and the EU reported on the progress made on the European Security and Defence Policy (ESDP).

Both sides emphasised the need for cooperation and peaceful coexistence among all states in the Gulf region, based on respect for principles and norms of international law and treaties. The EU congratulated Bahrain and Qatar for their acceptance of the decision by the International Court of Justice and the peaceful resolution of their border dispute. It also welcomed the signing of other border agreements in the region, most recently between Qatar and Saudi Arabia.

9. The EU and the GCC reaffirmed the need for a just, lasting and comprehensive peace in the Middle East based on relevant Security Council resolutions, including resolutions 242 and 338, and the principles agreed at Madrid, notably the principle of land for peace.

The GCC welcomed the statement on the escalation of violence in the Middle East issued by the EU on 18 April 2001.

Both Parties noted with deep concern the recent escalation of violence in the region, and in particular the use of excessive and often lethal force against civilians.The GCC and the EU called on both parties to take all necessary measures to bring an end to the violence and restore calm, including the lifting of closures of the occupied Palestinian territories. They stressed the importance of the payment of overdue revenues to the Palestinian authority.

The GCC and EU called on both parties, in line with the Sharm el-Sheikh understanding of October 2000, to act for the return of the situation prior to the current crisis, and to resume negotiations within the Middle East peace process, taking into account the previous positive developments in negotiations between the two sides and with a view to reaching a final agreement on all issues on the basis of their previous agreeements.

The two sides reiterated the need for the protection of all civilians and demanded that Israel abide by all its international legal obligations, including those under the Fourth Geneva Convention relating to the Protection of Civilian Persons in time of War.

The EU and the GCC, already the principal donors to the Palestinians, noted that they both had pledged substantial additional aid efforts in order to avoid economic and institutional collapse in the Palestinian authorities. The two Parties agreed on the need for quick disbursement and they called on other donors urgently to join them in pledging funding in support of the Palestinians. They welcomed the decision of the Amman Arab Summit to offer financial assistance to the Palestinian population.

The GCC and EU reaffirmed the importance of the Syrian and Lebanese track for a comprehensive peace settlement in the Middle East.

10. The GCC and EU reiterated the obligation of the Iraqi Government to implement fully all relevant UN Security Council resolutions pertaining to Iraq, including resolution 1284, and cooperate in all respects with the United Nations and subsidiary bodies thereof, in order to allow for the suspension and in time lifting of sanctions. They welcomed the discussions initiated between the UN Secretary-General and representatives of the Iraqi Government and hoped that these contacts would promote such cooperation in the future. The two Parties remained deeply concerned about the serious humanitarian situation in Iraq and agreed that, taking into account the comments of the UN Secretary General in his latest 90 day report, the Government of Iraq and the international community should make every effort to ensure that the oil-for-food program works to the fullest advantage of the Iraqi people.

The GCC informed the EU of the efforts made by the GCC countries during the Arab summit in Amman. The EU side expressed its appreciation.

Both sides underlined their concern at the continuing uncertainty over the Kuwaiti and other prisoners of war and persons unaccounted for, held by Iraq after the Gulf war. They demanded that Iraq meet its clear obligation under the relevant UN Security Council resolutions, including resolution 1284, to resume cooperation with the Tripartite Commission and to extend all necessary cooperation to the International Committee of the Red Cross to reach an immediate and permanent solution to the issue and to return all stolen Kuwaiti property.

The GCC and EU reaffirmed their commitment to the independence, territorial integrity and sovereignty of Kuwait as well as other countries in the region, including Iraq, within their internationally recognised boundaries. In this context, they insisted that statements questioning the territorial integrity and political independence of other countries in the region should be avoided.

11. The GCC and EU noted the gradual improvement of their relations with Iran and hoped that the remaining serious questions of concern could be addressed. The reform process in Iran should continue to be encouraged.

The Parties noted with concern the lack of progress in efforts to resolve the territorial conflict between the United Arab Emirates and Iran over Abu Musa and the Tunbs islands. The GCC briefed the EU on the efforts made in this regard by the Tripartite Committee set up by the GCC. The GCC and EU reiterated their support for a peaceful solution to the conflict in accordance with international law, either through direct negotiations or by referring the issue to the International Court of Justice.

12. The GCC and EU remained determined to support all efforts to establish a verifiable zone free of nuclear weapons and other weapons of mass destruction, including their delivery systems, in the Middle East. The proliferation of ballistic missiles, in particular those capable of carrying weapons of mass destruction, was a source of growing preoccupation for the Parties and the important discussions on a draft International Code of Conduct on missiles were noted. The EU and GCC together called upon all countries not yet parties to relevant treaties, including the Non-Proliferation Treaty, the Comprehensive Test Ban Treaty and Conventions on biological and chemical weapons, to sign and ratify them as soon as possible.

The two sides called upon all members of the international community to cooperate to combat the proliferation of chemical, biological and nuclear weapons or systems for the delivery of such weapons.

13. Both Parties recalled the commitment of all states, expressed at the World Conference on Human Rights in Vienna, that all human rights are universal, indivisible, and interdependent and interrelated. The GCC side, while noting the diversity of systems of values, joined the EU in reiterating their continuing commitment to the promotion and protection of all human rights.

14. The GCC and EU expressed their support for the efforts of the United Nations and other international initiatives to bring about peace and stability in Afghanistan. The important role of the Organisation of the Islamic Conference in this context was underlined.

15. Both sides agreed that the 12th meeting of the Joint Council will be held in the EU in 2002.